

Strategic Sector Cooperation: “Improving the Health and Safety of Workers in Bangladesh through the Strengthening of Labour Authorities” (phase II)

Key results:

The Bangladesh Department for Inspection of Factories (DIFE) has improved the Occupational Safety and Health (OSH) by improving the quality of inspections within 3 areas: a) enforcement of the law, motivating companies and activating of Safety Committees, b) using their inspection resources in a targeted way by focusing on the most important sectors, districts and OSH topics and c) improving management.


















Justification for support:

Bangladesh’s economy has grown on an average of 5-6 % per year over the last couple of decades and the ready-made garments (RMG) sector has been a significant contributor. The sector first started to create an impact in the early 1980s with the establishment of a number of export oriented factories. Today, the RMG sector constitutes more than 81.2 % of the country’s total export with its USD 28.1 billion export (2016-17) – mainly to Europe and North America.

The RMG sector employs approximately 4 million people with 50-65 % of the workforce being women, a figure which is difficult to establish with certainty. These women, with limited or no education at all, are now able to earn a living for themselves and are less dependent on others for their livelihood. Thus, the sector has played a role in empowering women and it will become even more important if the RMG sector grows as expected the years to come.

DIFE has undergone dramatic improvements since 2013 with expansion of staff to now 315 inspectors, many new offices and new equipment, but there is still a way to go before Bangladesh has an efficient and sufficient labour inspection authority.

File No.	2017-36198					
Country	Bangladesh					
Responsible Unit	VBE					
Sector	16020 - Occupational safety and health					
Partner(s)	The Bangladesh Department for Inspection of Factories. The Danish Working Environment Authority					
	<i>DKK mill.</i>	2018	2019	2020	2021	Tot.
Grant	7,5					
Projected ann. disb.	0,3	3,8	2,8	0,6		7,5
Duration	November 2018 – November 2021					
Previous grants	6,217,877 DKK					
Finance Act code	§06.38.02.14					
Head of unit	Ole Thonke					
Desk officer	Jakob Haugaard					
Financial officer	Hans-Henrik Christensen					

Relevant SDGs <i>[Maximum 5 – highlight with grey]</i>					
 No Poverty	 No Hunger	 Good Health, Wellbeing	 Quality Education	 Gender Equality	 Clean Water, Sanitation
 Affordable Clean Energy	 Decent Jobs, Econ. Growth	 Industry, Innovation, Infrastructure	 Reduced Inequalities	 Sustainable Cities, Communities	 Responsible Consumption & Production
 Climate Action	 Life below Water	 Life on Land	 Peace & Justice, strong Inst.	 Partnerships for Goals	

Strategic objectives:

The main objective of the project is to improve the health and safety for workers in Bangladesh through the strengthening of the Ministry of Labour and Employment and the Department for Inspection of Factories.

Justification for choice of partner:

The Strategic Sector Cooperation Facility has many similarities with a traditional twinning scheme, which explains the partner choice. The Danish partner was identified through a strategic match making process in 2014 where local demands were matched with Danish competencies in public authorities. The local partner was identified during the inception phase of the Strategic Sector Collaboration project in 2015. Typically, the Danish authority works with its “sister organisation”. This is also the case in Bangladesh.

Summary:

Phase II will continue improving the health and safety of workers in Bangladesh through the strengthening of labour authorities in Bangladesh. Through the SSC-project, the Department for Inspection of Factories will improve the quality of inspections, with focus on essential Occupational Safety and Health issues, enforcement of the law, motivation of companies and activation of Safety Committees.

Budget:

Total	DKK 7,456,279
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Annex B

Project Document for Strategic Sector Cooperation about working environment

between

Denmark and Bangladesh

Final

General information		MFA File no. 2017-38193
Project Title	Improving the Health and Safety of Workers in Bangladesh through the Strengthening of Labour Authorities	
Partner Country	Bangladesh	
Project duration	3 years	
Total budget (DKK)	DKK 7,456,279 Annex D: Activities and budget tools	
Thematic focus	Occupational Safety and Health in Bangladesh	
Partner Public Authority Contact person and contact details	The Bangladesh Ministry of Labour and Employment (MoLE). Mr. Inspector General Shamsuzzaman Bhuiyan, Department of Inspection for Factories and Establishments. E-mail: chiefdife@gmail.com	
Responsible Danish Public Authority Contact person and contact data	The Danish Ministry of Employment (DMoE). Contact person is project manager (PM) Mrs. Elsebeth Jarbaek, placed in the Danish Working Environment Authority (DWEA), Office for Accidents, Chemistry and International relations. E-mail: elja@at.dk .	
Danish Embassy Head of Representation Sector Counsellor	Ambassador Ms. Winnie Estrup Petersen. E-mail: winpet@um.dk Sector Counsellor (SC) Soeren Albertsen E-mail: soralb@um.dk	
Summary of background analysis and key strategic choices (max 2 pages)	Bangladesh's economy has grown on an average of 5-6 % per year over the last couple of decades and the ready-made garments (RMG) sector has been a significant contributor. The sector first started to create an impact in the early 1980s with the establishment of a number of export oriented factories. Today, the RMG sector constitutes more than 81.2 % of the country's total export with its USD 28.1 billion export (2016-17) – mainly to Europe and North America.	

The RMG sector employs approximately 4 million people with 50-65 % of the workforce being women, a figure which is difficult to establish with certainty. These women, with limited or no education at all, are now able to earn a living for themselves and are less dependent on others for their livelihood. Thus the sector has played a role in empowering women and it will become even more important if the RMG sector grows as expected the years to come. However, the growing employment of women has its costs.

Especially the collapse of the factory building Rana Plaza in 2013 was a game changer for all investors in the textile and garment industry. Danish buyers appreciate, and in many instances demand, a sustainable production. International producers, traders, trade unions, and national and international organizations have made agreements, with common commitments to work to ensure better working conditions in the sector. An example is the “Accord on Fire and Building Safety” which is signed by more than 150 international textile companies, including a number of Danish companies, and “Alliance for Bangladesh Worker Safety”, which is signed by more than 20 of the biggest North American clothing importers. These two initiatives are a kind of private labour inspectorates, but they work exclusively with factories exporting to their members (western countries) and they have primarily been focusing on improving building construction and fire safety.” The Accord” is expected to continue while “the Alliance” will stop by June 2018.

Since the purpose of this project is to strengthen the labour authorities in the country, MoLE/DIFE was the obvious project partner when starting up in 2016. Denmark and the international society were already at that time in close dialogue with MoLE about the challenges of working conditions in the country, and this ongoing dialogue is a good platform for the cooperation in the project.

DIFE has undergone dramatic improvements since 2013 with expansion of staff to now 315 inspectors, many new offices and new equipment, but there is still a way to go before Bangladesh has an efficient and sufficient labour inspection authority.

Denmark is able to provide a range of issues demanded by DIFE: OSH expertise, tripartite cooperation, inspection methods, management and good governance.

The legal basis for DIFE is the Labour Act from 2006, amended in 2013, with new rules and regulations adopted in 2015. The legislation is created with assistance from the ILO and, even though it is not completely according to European standards, it is rather good, if the rules are enforced.

A huge number of international initiatives, including Danish projects, are directed towards the RMG sector, but only the present SSC project and the ILO (and to some extent GIZ and UNICEF) are working directly with the authority. For that reason the project Phase 1 has been developed in close cooperation with the ILO and the GIZ to gain synergies and avoid overlaps, and this cooperation will continue in phase 2.

During RMG factory visits during phase 1, the project has noted or observed that there are many “ordinary” OSH challenges in this sector, especially related to ergonomics and chemical safety. However, the export oriented factories are in the absolutely better end of the Bangladeshi working places. For that reason the project should not be limited to RMG, but have a broader focus including special dangerous and unhealthy sectors. In general there are serious basic OSH challenges in all sectors.

Under the project phase 1 strong relations have been built between the Danish and the Bangladeshi partners, as well on management level as on technical level.

The second phase will build on these relations.

Bangladesh is a very important trade partner to the Danish textile and fashion sector. All the large and several of the medium sized Danish brands import from Bangladesh; Bangladesh is the second largest producer of garment for the Danish fashion and textile industry and the value of the import from Bangladesh is about 4,5 billion DKK/year (2016).

The Danish brands are involved in various projects in Bangladesh, both as companies and through their organisations, Dansk Erhverv DE, Dansk Mode & Tekstil DM&T, Danish Fashion Institute DAFI, Dansk Initiativ for Etisk Handel DIEH. During phase 1 the project has had meetings with Danish brands and Danish projects – also including Aalborg University AAU and The Federation of Danish Workers 3F.

Upon request from the Danish private sector, the project has carried out a number of OSH seminars for Danish brands, local staff, supplier factories etc. and for Trade Union representatives. DIFE and DWEA experts have been responsible for these events in cooperation with the project. These activities will be continued.

In phase 1 the project has continuously kept internal and external stakeholders informed by a quarterly newsletter, and has taken part of information initiatives lead by MFA. The project will also in the future place great emphasis on communication.

	Annex C: Background Study
Linkages to UN Sustainable Development Goals	<p>The project supports the SDG 8 and to some extent SDG 3 and SDG 16. In particular:</p> <ul style="list-style-type: none"> • 8.5: Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. • 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment • 3.9 Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination • 16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all • 16.6 Develop effective, accountable and transparent institutions at all levels
Project Logic (Theory of Change) ½-1 page	<p>It is a long term goal to improve the health and safety of workers all over the world, this is stated in ILO's Decent Work agenda and it is a part of SDG 8 on Decent Work and Economic Growth.</p> <p>The main driver to secure healthy and safe workplaces is mainly the employers who have the power to hire and fire employees and who are responsible for the working place, provide tools etc. If employers understand, that good working environment is good business; they will work proactively to ensure good working conditions. When so, the need from a Labour Inspectorate is to contribute with guidance and information.</p> <p>Futhermore, there will always be a need to control the working environment on the work places and to enforce the legislation. In all societies the motivation must go hand in hand with control and enforcement.</p> <p>To make an authority efficient and reliable, it is important to boost the overall management, priorities and planning.</p> <p>The main changes that this project will aim to improve in DIFE are:</p> <ul style="list-style-type: none"> • OSH professional knowledge, and the ability to maintain, distribute and develop the knowledge on their own • Inspection methods, especially regarding the role of the authority, dialogue and activation of Safety Committees • Ability and willingness to enforce the law • Ability to guide companies • Planning, priorities and management

	<p>The project will contribute to all these issues. ILO is the main contributor to DIFE's development, and the activities will be coordinated closely with the ILO. At the same time synergies with other projects working with labour market issues as CSR, social dialogue and labour rights will be cultivated. The project will implement activities that support DIFE and the private sector both indirectly and directly.</p> <p>For sustainability, two main principles from phase 1 will be continued: 1) DWEA delivers OSH expertise and experience, not ready-made solutions. DIFE must develop and implement its own procedures, guidelines and training programs. 2) Assistance will be given as close as possible to DIFE's real work e.g. on inspections.</p> <p>In phase 1 there has been a large focus on training-of-trainers with development of training programs and materials, courses in training methodology, and test training performed by DIFE experts. DIFE will as a part phase 1 deliver a plan for execution of the planned training in full scale. This training, where DIFE experts are training DIFE inspectors, will be the first part of phase 2. If there are obstacles in the execution of the training, the rest of the training-of-trainers-activities should be reconsidered.</p> <p>It is anticipated, that DIFE will be able to improve to some extend in the mentioned fields. The mutual understanding, good relations on all level and routines for cooperation between the project partners and the Danish Embassy will work for a successful implementation of project activities and achievement of the goals.</p>
<p>Main objective of SSC project</p>	<p>The main objective of the project is to improve the health and safety for workers in Bangladesh through the strengthening of the MoLE and DIFE. As an additional benefit it is expected to improve the competitiveness of Danish companies in and outside Bangladesh.</p> <p><u>Direct impact</u></p> <ul style="list-style-type: none"> • Basic training on machinery safety, accident prevention, chemical safety and ergonomics (250 inspectors) • Continued training on expert level on machinery safety (8 inspectors/ DIFE experts) • Continued training on expert level on accident prevention (8 inspectors/ DIFE experts) • Continued training on expert level on chemical safety (8 inspectors/ DIFE experts) • Continued training on expert level on ergonomics (10 inspectors/ DIFE experts) • Continued training on expert level on construction safety (8 inspectors/ DIFE experts)

	<ul style="list-style-type: none"> Continued training on expert level on crane safety (8 inspectors/ DIFE experts) Continued training on expert level on boiler safety (8 inspectors/ DIFE experts) Continued training on expert level on dialogue on inspection an activation of safety committees (8 inspectors/ DIFE experts) Planning and implementation of targeted inspection in the construction sector and development of a manual for planning, implementation and evaluation of targeted inspections (10-15 inspectors trained) Capacity building of DIFE's management (management training) DIG's, JIG's and AddG's (25-30 officials). This will be supplemented by a similar training performed by Danida Fellowship Centre (approx. 8 officials) A strengthened organisational set up for developing and maintaining relevant OSH diciplines in DIFE. OSH training of OSH professionals outside DIFE (40 persons) <p>Annex A: Work plan</p>
Outcome A	DIFE has improved the quality of inspections, with focus on essential OSH issues, enforcement of the law, motivation of companies and activation of Safety Committees.
Output A.1	DIFE has increased the knowledge and inspection abilities on inspector level in the fields: Machinery safety, accident prevention, chemical safety and ergonomics.
Output A.2	DIFE has increased the knowledge on internal expert level in the fields of machinery safety, accident prevention, chemical safety, ergonomics and construction safety.
Output A.3	DIFE is enabled to train inspectors in crane safety, boiler safety and dialogue based and activating inspection methods.
Outcome B	DIFE will use their inspection resources in a targeted way by focusing on the most important sectors, districts and OSH topics.
Output B.1	Improvement of DIFE's ability to plan, perform and evaluate targeted inspections directed against certain sectors, districts and OSH topics of certain importance in the country.
Outcome C	DIFE is managing their staff and activities in the most efficient way.
Output C.1	Improved management skills for DIG's, JIG's and Additional IG's (Deputy, Joint and Additional Inspector Generals)
Outcome D	DIFE has the framework to develop and maintain knowledge

	about and handling of relevant OSH discipline
Output D.1	DIFE has improved the organisational set up for developing and maintaining relevant OSH disciplines.
Outcome E	It will be easier for the Danish private sector sourcing in Bangladesh to ensure a sustainable supply chain.
Output E.1	Danish import companies and their local staff, auditors and suppliers in Bangladesh have increased their knowledge about OSH and have got tools to use in their work.
Output E.2	Bangladeshi trade unions/federations related to the RMG sector have increased their knowledge about relevant OSH issues.
Assumptions and risks	<p><u>Assumption 1:</u> DIFE can and will contribute with the necessary manpower resources.</p> <p>The experience from phase 1 is that DIFE has provided the required resources but that it sometimes has been tight. The risk if DIFE can't provide the necessary resources will be postponements or cancellation of activities. A good coordination with the other donors, especially the ILO, will aim on not overloading DIFE.</p> <p><u>Assumption 2:</u> DIFE will replace their OSH experts who have left or who will leave during phase 2, and develop a strategy to incorporate the new in the expert teams.</p> <p>The risk if DIFE is not able to keep the expert teams staffed and trained, there is no sustainability. The fact, that there is no sustainable anchoring of OSH expertise in DIFE (ass. 5), makes this risk very serious. For that reason the phase 2 activity "D.1.1" is exactly working on this issue.</p> <p><u>Assumption 3:</u> DIFE can and will plan and manage training programs where only DIFE staff is involved.</p> <p>The experience from phase 1 is that DIFE don't take leadership in planning of activities. One of the main ideas of the project is that DWEA provides training of DIFE trainers, who hereafter will train DIFE inspectors. If DIFE is not able to manage the planning and execution of its own training programs it is a serious risk. DIFE's execution of training inspectors in topics from phase 1 is placed as the first activity in phase 2. If this will not take place the project will stop for more training of trainers and preparation of training courses.</p> <p><u>Assumption 4:</u> DIFE participates actively in the planning of the project execution, and take the necessary decisions.</p> <p>The experiences from phase 1 are, that it is necessary that DIFE is involved actively in the planning and that this is working best if staff members are appointed to this. If DIFE doesn't participate</p>

	<p>actively in the planning, decisions can't be taken and the project execution stops.</p> <p>A strong relation to the DIFE project coordinator is crucial for this. In phase 2 the project staff will try to enforce this relation e.g. by the sector counsellor having planned work days in DIFE's office.</p> <p><u>Assumption 5:</u> DIFE is working actively to find a way to place OSH expertise in the organisation, so OSH knowledge can be maintained and developed and made operational in the organisation.</p> <p>In phase 1 we have trained more than 40 experts in DIFE. These are not organised in any way and it is not described in any way how they are supposed to work with OSH in their daily work. If this is not taken care of, there is risk that their expertise will be gone after a short time.</p> <p><u>Assumption 6:</u> DIFE is able, to some extent, to pay logistics for their own staff.</p> <p>It is introduced, that in phase 2 DIFE will contribute with some logistics – especially when DIFE staff is training DIFE staff.</p>
<p>Management set-up</p>	<p>The management of the SCC Project phase 1 has worked very efficient and smooth, and the intention is to maintain the management set-up.</p> <p><u>A SSC Steering Committee</u> is set up between the Embassy/SC, MoLE/DIFE and MoE/DWEA, and the committee has been working during the preparation project and phase 1. A Terms of Reference for the Steering Committee has been approved by the committee.</p> <p>The Steering Committee does once a year approve the yearly work plan and progress reports for the SSC project. The Steering Committee has biannual meetings to follow progress in the SSC implementation and decide on adjustments, as needed. Meetings take place as video conferences.</p> <p>Annex E: Terms of Reference for Steering Committee</p> <p><u>A SSC Coordinating Group</u> is set up between the Embassy/SC and the Danish partner. The Coordinating Group is meeting few weeks before the Steering Committee meetings.</p> <p>The Ministry of Labour and Employment will for phase 2 appoint a Focal Point, who shall be the fixed link to the SSC project.</p> <p><u>The daily management</u> is in the hands of the project manager and the sector counsellor.</p>

<p>Contributions from Danish Public Authority</p>	<p>The DWEA will first and foremost contribute with OSH expertise and manpower.</p> <p>DWEA delivers logistical support for the DWEA staff, including international travel, local travel in Bangladesh, hotels and DSA.</p> <p>DWEA will provide local and international consultants.</p> <p>DWEA will provide experts for technical issues, who will deliver training and other activities that will upgrade the Bangladeshi colleagues in OSH topics.</p> <p>DWEA will pay for reimbursable costs e.g. venue, food during training, photocopying of training materials, in some cases accommodation and alike, when described in the work plan.</p> <p>DWEA cannot pay for services provided by the Bangladeshi government.</p> <p>DWEA can only pay for services provided by third party suppliers, who are able to issue a bill to the Danish Embassy, and receive payment to a bank account after the services have been delivered.</p> <p>DWEA will provide planning capacity. In cooperation with the sector counsellor.</p> <p>DWEA will manage the day to day running of the project, plan the activities, prepare the Steering Committee and generally be proactive in the management of the project implementation.</p> <p>Annex A: Workplan</p>
<p>Contributions from partner authority</p>	<p>DIFE delivers first and foremost the personnel necessary for the project activities.</p> <p>DIFE delivers venue, transportation, food, materials etc. for its own staff when described in the work plan.</p> <p>DIFE provides the necessary personal protective equipment for its own staff.</p> <p>DIFE provides plans for training when described in the work plan.</p> <p>DIFE participates in the day to day running and the long term planning together with the sector counsellor and the project manager. DIFE will appoint one or two officials who are responsible for the planning.</p>
<p>Budget</p>	<p>DKK 7,456,279</p>